

HILLO RAILROAD TO BE SAVED FOR OWNERS OF BONDS

(Continued from page one)

sending the owners of the \$1,000,000 bond issue of 1901 and the other, the \$2,500,000 bond issue of 1909.

"For several months these gentlemen have been working on the plan of a bondholders' protective agreement, and have now concluded their labors. The agreement constitutes the following gentlemen a committee to represent the bondholders:

"A. W. T. Bottomley of the banking house of Bishop & Co.; A. N. Campbell of the Hawaiian Trust Company, Ltd.; J. R. Galt of the Hawaiian Trust Co., Ltd.; A. Lewis, Jr. of the Bank of Hawaii, Ltd.; R. L. Shelding of the Bank of Honolulu, Ltd.; John Waterhouse of Alexander & Baldwin, Ltd.; and E. H. Woodhouse of T. H. Davies & Co., Ltd.

"The Hawaiian Trust Company, Ltd., has been named as depository.

"The parties of the third part are to be all of the owners of bonds of the Hilo Railroad Company who desire to avail themselves of the provisions of the agreement and who deposit their bonds with the depository. J. R. Galt of the Hawaiian Trust Company, Ltd., is the presiding officer of the committee. A. F. Judd of the Guardian Trust Company, Ltd., has been appointed by the committee their executive secretary.

"If the coupon interest delinquent since April 1, 1915, is not paid by the railroad on October 1, 1915, the agreement authorizes the committee to take such action as they may deem advisable to cause the trustee under each of the bond issues to take possession of the property, or to cause a receiver to be appointed by the court and to cause the property of the railroad to be sold. In case of a sale the committee is authorized for the bondholders to bid at the sale.

Organize New Company.

"Should a sale result in the committee's buying the road, they are given authority by the bondholders to organize a new company to take over the railway, with a capital of such an amount as the committee shall in their absolute discretion think fit, paying for the property:

"A. First mortgage 5 per cent bonds of an issue of such an amount as the committee shall determine, but not exceeding \$2,500,000.

"B. Seven per cent paid up and non-assessable preferred stock of an issue of such an amount as the committee shall determine.

"C. Six per cent non-cumulative preferred stock of an issue of such an amount as the committee shall determine.

"D. Common stock of an issue of such an amount but not exceeding the sum of \$1,000,000 and either paid up or assessable, or partly paid up and as to the balance assessable as the committee shall determine.

"The committee find it desirable to purchase the railroad and form a new company, by the agreement they are given authority to exchange the bonds and coupons deposited with them for securities of the new company in the following manner:

"(a) The owners of bonds of 1901 issue are to receive the new 5 per cent bonds at par to an amount of 60 per cent of the principal of the bonds deposited by them, and are to receive the 7 per cent preferred stock at par to an amount of 40 per cent of the par value of the principal of the bonds deposited by them, and also to the full amount of the interest on those bonds from the date up to which interest has been paid thereon to the date when the 7 per cent preferred stock may be issued.

"(b) Similarly the owners of the 1909 bonds will receive bonds and stock, only as to the proportion will be 50 per cent in each case.

"It will be noted that if the railroad should under the new company be able to earn a dividend of 7 per cent on the 7 per cent preferred stock, the present bondholders will then receive by such dividend, and by the interest coupons on the new bonds substantially the same amount which they are now entitled to receive from their 6 per cent bonds.

"As it is not known by the committee how long it will take to carry out the plans suggested or whether or not the purchase of the railroad will be made by them and a new company formed, or what the costs of these various matters will be, the agreement is so phrased as to enable the committee to raise funds among depositing bondholders to pay the committee's expenses. The limit of the assessments is made \$5 per \$1000 bonds deposited.

"The agreement gives the committee ample powers to employ the assistance necessary to carry out the agreement.

Bondholders May Withdraw.

"The agreement may be amended upon due notice to the depositing bondholders; the bondholders not agreeing to the amendment are permitted to withdraw upon paying their proportionate share of the cost incurred. It is provided that the committee may add to its membership and may fill vacancies. In such matters their action must be unanimous.

"When 60 per cent of all of the bondholders of the Hilo Railroad Company have deposited their bonds, the agreement becomes effective. This will require a deposit of bonds of the par value of \$2,700,000.

"It is provided that at any time the owners of two-thirds of all of the bonds deposited may terminate the agreement. The committee likewise may do so at any time if they determine that it is not advisable that the agreement should continue in force for a longer time.

"The offer made in the agreement is to all owners of the bonds of the Hilo Railroad, without distinction, who may deposit their bonds before

WATCH YOUR ICE!

Literary Digest for September
Contains Interesting
Article

Under the heading "Watch Your Ice," The Literary Digest explains that ice is not necessarily pure just because it is cold. It may contain the germs of disease. Ice is used with food for two purposes—to cool it and to eat. If it is used simply as a cooling agent, as in a refrigerator, without touching the food, it may be very dirty without doing harm, although even then one would prefer to keep it clear of disease-germs. But if it is to be eaten, or to come into contact in any way with food or drink, then it should be absolutely pure. The different methods of ice-production and the ways in which ice may become dirty or infected, are clearly described in an article published in The Nurse (Baltimore, August). Says the writer:

"While it is unusual abroad to place ice in drinks and food, it is the universal custom in our country to drink ice-water, to use crushed ice in our 'soft' and other drinks, and to apply it directly to foods which are eaten cold or uncooked.

"It is used in every household and has come into contact with many of our foods before we secure them. Sanitation and intelligent people generally now know the important part played by food in conveying the infection of preventable diseases, such as typhoid fever, dysentery, and other intestinal diseases. Some outbreaks of these diseases have been attributed to ice, and it seems pertinent, therefore, to decide whether there is danger to the individual in the use of this important article of diet.

"The various methods of cooling the brine or other substances in ice-machines do not necessarily affect the sanitary qualities of the ice, but the two methods of applying water to be frozen are quite important. They are called the 'can' and the 'plate' methods. In the former method water is placed in cans submerged in brine maintained below 0° C. and kept there for a time, dependent upon the size of the can.

"As has been stated, freezing expels almost all of the impurities, but as the can is full the impurities present are impelled toward the center and top of the can as the surfaces nearest the brine freeze first. Even air causes cloudiness, and the presence of iron salts a red and of lime and magnesium a whitish core. To obviate this and secure pure, clear ice, the water is generally distilled, the water from the condensers furnishing over half of the amount necessary. Of course, distillation destroys all disease-organisms present in the water.

"Recently, however, in one system the cans have been made larger and an air-pipe passed down the center, the cakes later being cut into smaller ones, eliminating the dirty core.

"In another can-system, about six inches of water is kept fluid by agitation by air-pipes, and thus a liquid remains into which impurities are expelled.

"Both of these systems are held to eliminate the necessity for distillation of water, and this is a fact to be remembered.

The Hawaiian Electric Company use the "Agitation System" in the manufacture of their "Crystal Ice" which they furnish for household purposes; besides this the water from which the ice is manufactured is first distilled and then filtered, which in conjunction with the "Agitation System" of freezing insures an ice that is absolutely pure and sanitary.

BEATS IWILEI WOMAN; GIVEN POLICE COURT LESSON IN DECENCY

Nina Garson, a woman of the Iwilei district, brought a charge of assault and battery against W. G. Emmans, and he was sentenced by Judge Monseratt to pay a fine of \$50 and costs this morning. After she had lifted a heavy veil on the witness stand and exposed a swollen and discolored eye where she said Emmans had struck her, Attorney Charles Chillingworth said for the prosecution:

"In the case of a fellow such as this, a boy who has been raised in this town, whose mother has given him a fine bringing up, I think that the penalty should be severe. It is time that he should learn the lesson of modesty if he cannot learn the same lessons in a gentler fashion at his home."

At the first of October, 1915, in the offices of the Hawaiian Trust Company Limited, and at all others thereafter with the consent of the committee.

"The Hawaiian Trust Company will issue certificates of deposit, the form of which is set out in the agreement. Bondholders who have deposited their bonds may thereafter sell their bonds by a transfer of the certificate; bonds so sold will still continue to be subject to the agreement.

"The bondholders may get the benefit of the agreement by depositing their bonds and receiving certificates of deposit from the Hawaiian Trust Company, Ltd.

"The agreement specifically provides that the committee members named will serve without compensation.

"For the year ending June 30, 1915, the railroad took in cash above all expenditures for operating expenses and maintenance, the sum of \$213,000, without charging against this amount anything for depreciation. However, the physical status of the railroad and its equipment have been well maintained. This would seem amply sufficient to pay the interest coupons on the new 5 per cent bonds which will amount at most to the annual fixed charge of \$125,000 and to provide funds which, if insufficient to pay all the 7 per cent on the preferred stock, can at least pay a substantial part thereof."

NEW TEN MILLION GALLON PUMP FOR SEWER STATION

Puunui District Will Have Trunk
Main and More Water Will
Be Conserved in Nuuanu

Plans and specifications for the new 10,000,000-gallon pump at the sewer station are practically complete, according to Harry E. Murray, superintendent and general manager of the water and sewer systems. It is the plan of the department to go ahead with the installation of the pump as soon as possible, as the present one is already overtaxed.

The department also has under consideration plans and specifications for the sewer in the Puunui district. The sewer line will extend throughout the district, and its cost will be practically \$15,000.

In Nuuanu valley it is planned to spend \$40,000 in a project to conserve for the use of the city those waters that have formerly been going to waste. To accomplish this conservation it will be necessary to build side-ditches, a dam, and a pipe line. Hills-brook Glen will be tapped for water.

This sewer and water system expenditure will be made from the \$11,000,000 appropriated for the purpose by the last legislature. Superintendent Charles H. Forbes of the department of public works has approved the project, and Governor Pinkham is considering the scheme. The money is to be taken from the loan fund.

A change has been made in connection charges lately, according to Superintendent Murray, and has caused a good many inquiries from customers. The change is made from the original standard charge of \$1.75 per each job no matter how long is required, to \$1 an hour for connection work.

This change covers the cost of tools and other equipment, the services of the tapper and his assistant, and pays for the patching job that the city does after the connection has been made. The superintendent says that the charges are figured out with a view to making them as near the actual cost to the water department as possible.

DUMBA NOTE NOT WRONG, DECLARES AUSTRIAN ENVOY

(Continued from page one)

by Archibald contained nothing more than a proposal that we attempt to call out the workmen of our own country from these steel and munition works and provide for them other employment. To do so, money would be necessary and a labor employment bureau would have to be organized. This is one of the things I shall bring before the Secretary of Commerce and Labor when I am in Washington this week. This seems to me to be a peaceful and entirely satisfactory means of preventing the making and shipping of war materials to our enemies.

My letter which Mr. Archibald carried does not contradict Mr. Bernstorff, for his people and the great bulk of those who make up our Austro-Hungarian races are entirely different types.

Declares His Act is Not a Conspiracy.

"The greater part of German workmen in all ranks are educated. They read and discuss matters and can be easily reached. Not so with the many races and the great ignorant mass of our peoples. Promises of better wages and easier employment must be made and their positions in aiding the enemy must be brought home to them. Where there are 100 of German-born workmen in the factories, there are thousands of Austrians. Remedies for reaching these races must differ, and there is no conspiracy in an open attempt to call out the Austrian citizens at Bethlehem or elsewhere. Such a proposal as this was the letter of which The World says a photographic copy was made and its contents cabled to the State Department at Washington. It is to prevent the letter from being censored or garbled that I shall ask Secretary Lansing for an opportunity to explain."

Dr. Dumba denies that Hungarians were to be sent into the munition and steel works to embarrass their output, but on the contrary he emphasized that a great bulk of the men employed at Schwab's Bethlehem steel works and elsewhere in steel construction plants were Hungarians or members of other races of Austria-Hungary. It was of the number of such men employed in various works and their race that Capt. Archibald carried a document prepared by the editor of a New York Hungarian newspaper.

Spies, Spies Everywhere, Says Dumba.

"Nothing is safe from these English spies," Dr. Dumba said, with reference to Archibald's being searched at Falmouth. "I am surrounded by spies in New York. They even send their spies up to Lenox."

Dr. Dumba did not seem irritated or annoyed by The World's cabled dispatch. He appeared like a man sure of his ground, and talked without the least hesitation or restriction on the correspondence. The point the Ambassador emphasized was that he was the diplomatic representative of Austro-Hungarians in America, and that was a proper function for him to attempt to save these people from committing a crime against their own country. He said it was perfectly

LOCAL AND GENERAL

Leahli Chapter No. 2, O. E. S., will hold a regular meeting tonight at 7:40 o'clock.

Attorney William T. Rawlins was sworn as Hawaiian interpreter in the local federal court today.

Among the guests who paid their respects to Queen Liliuokalani this morning, were Mr. and Mrs. Howard Spaulding and Professor Baker.

A meeting of the members of Knights of Kamehameha will be held at the Y. M. C. A. tomorrow evening, at which time three new knights will be initiated.

A concert will be given by the Hawaiian band at the insane asylum at 2:30 o'clock tomorrow afternoon. In the evening the band will play at the Kalihai pumping station, beginning at 7:20 o'clock.

Charged with having committed a statutory offense, Lum Mew Chung, a Chinese, has been released by the federal authorities on bond in the sum of \$250. The defendant entered a plea of not guilty today.

Further hearing of the case of Lee Leong, petitioner for a writ of habeas corpus, will be had in federal court at 10 o'clock on the morning of September 22.

The case of Lee Hing, charged with having opium in his possession, has been continued in federal court until called up. The defendant, who was indicted by the special federal grand jury, pleaded not guilty today.

Jane Doe Blair, charged with selling liquor on a military reservation without a license, entered a plea of not guilty in federal court today. The case has been continued until called up, and Jane has been released on bond in the sum of \$100.

Charged with selling liquor on a military reservation without a license, Mrs. Alvira C. Field, white, wife of James Field, colored, pleaded not guilty in federal court today. The case has been continued until called up.

Lee Tai, who is charged with having smuggled \$50 worth of diamonds into Honolulu, entered a plea of not guilty in federal court today. The case has been continued until called up. Lee Tai is out on bond.

Frank G. Machado, an employee of Schumann's garage, and Miss Edith E. Neome were married in the Catholic church, Fort street, Saturday evening. Elizabeth Ponders acted as bridesmaid and William K. Apau was best man. Following the ceremony a reception and dinner was given at the home of the bride's parents in Palms, which was attended by a large number of the friends and relatives of the couple.

Annie Nui, charged with a statutory offense, has been given until 4 o'clock this afternoon by the local federal authorities to secure bond in the sum of \$100. Annie was arrested by the marshal yesterday with company with Lun Chu Ling, a Chinese, who is charged with a similar offense.

Celebrating her 31st birthday anniversary in excellent health, Mrs. Olive A. Clark on Saturday was guest of honor at a picnic at the home of Mr. and Mrs. W. P. Thomas at Wahiawa. The party also did honor to her son, Dr. Frank Clark, whose birthday anniversary had occurred two days earlier.

FEDERAL PRISON AT PEARL HARBOR IS RUMORED PLAN

(Continued from page one)

quers probably would be detailed as guards.

"I had a long talk with Secretary Newton shortly before he left Honolulu for the mainland," says the marshal. "We discussed a number of matters of local interest, but Mr. Newton made no mention of the need of a federal penitentiary here."

Judge Sanford B. Dole said today that he has not heard the rumor. When the new territorial penitentiary at Kalihikai is completed, it doubtless would be just as well to house the federal and territorial prisoners in one prison, as is the present custom, he said.

Federal Judge C. F. Clemons said that the erection of a federal penitentiary here doubtless would depend largely on the number of federal prisoners. According to Marshal Smiddy there now are between 38 and 40 federal prisoners in Oahu prison.

legitimate to call out these men if necessary, as they would be indicted as conspirators against their own country in the event they continued to work on contracts which were intended for the use of the enemies of their own lands. He repeated that it was one of his duties to bring this important point of view before all Austro-Hungarians.

WANTED

LOST

Diamond ring, set in platinum, near Pali; return to Star-Bulletin, reward. 6273-21

ARIZONA CITY'S MANAGER PLAN GREAT SUCCESS

(Continued from page one)

old council had given good service and there was no suspicion of graft; it was felt that something should be done to remove "ward politics" from the city government and to make it possible the acting of an alderman solely for the interests of his own ward and his own constituents.

A committee of 35 of the leading business, professional and labor men of the city was formed and began the study of the charters of other cities which had adopted the commission form of government. This committee was, later, enlarged to 100 members.

Naturally, the first thing to be decided was whether the city should have the "commission" or the "commission-manager" form of administration and the latter was decided upon. The charter was adopted by an overwhelming majority of the voters and approved by the governor of the state, and was put into effect a year and a half ago.

There was, of course, the inevitable dissatisfaction for a time and the equally inevitable dislocation of public business consequent upon so radical a change. The first manager appointed was not a success and it became necessary to remove him.

As a matter of fact, the manager was not particularly to blame but was unable to get along peacefully with the commission, and there was a lot of unnecessary friction.

The present manager has been in authority for a matter of nine months and has made a striking success of the position. He has harmonized and simplified the conduct of the city's business, has lopped off a number of useless employees, has secured better prices for all city supplies and printing, has increased the efficiency of every department and has, in a word, made a success.

The rate of taxation has been lowered 15 per cent below the average of several years past and more improvements have been undertaken and completed. All friction between departments has been eliminated and the wheels of the city government run smoothly. I do not believe that five per cent of the voters would consider for a moment going back to the old form. It is anticipated that next year will show a still further reduction of the tax rate and an increased betterment of the public service.

As compared to the commission form, in which each commissioner has charge of some one or more departments of the public service, we have found the "manager" plan greatly superior. I venture the suggestion that it will be found better ALWAYS—IF THE RIGHT MANAGER IS FOUND. This is the situation in a nutshell.



"Coffee Face"

—ever see one?

There are many with the tell-tale signs of indigestion, heart, liver or nerve troubles who don't suspect that coffee is a frequent cause of these and other ills.

Any ailing person can find if coffee has anything to do with his trouble, by a 10-days' change to

POSTUM

—the pure food drink;

It contains no caffeine or tannin (the coffee drugs)—nothing but the nourishing elements of whole wheat, roasted with a little wholesome molasses.

Postum comes in two forms: Postum Cereal—the original form—must be well boiled to bring out the flavor and food value—and Instant Postum—the soluble form—prepared in the cup with hot water instantly!

Grocers everywhere sell both kinds. They are equally delicious, and cost about the same per cup.

Most people can make good use of a strong body, clear brain and steady nerves.

"There's a Reason" for POSTUM

STORAGE

WE STORE EVERYTHING.
JAMES H. LOVE

CITY TRANSFER COMPANY
PHONE 1281

BY AUTHORITY.

RESOLUTION NO. 258.

Be it resolved by the Board of Supervisors of the City and County of Honolulu, Territory of Hawaii, that the sum of One Thousand One Hundred and Seventy-five Dollars (\$1175.00), be and the same is hereby appropriated out of all moneys in the General Fund of the Treasury of the City and County for the following purposes, to wit:

Repairs, Alamuki bridge, Wai-
ana District \$700.00
Repairs, Hakipuu truss bridge,
Koonapoko District 475.00
Presented by
ROBERT W. SHINGLE,
Supervisor.

Date of introduction:
Honolulu, Sept. 13, 1915.

At a regular adjourned meeting of the Board of Supervisors of the City and County of Honolulu, held Thursday, September 16, 1915, the foregoing Resolution was passed on Second Reading and ordered to print on the following vote of said board:

Ayes: Arnold, Hollinger, Horner,
Larsen, Logan, Shingle, Total 6.
Noes: None.
Absent and not voting: Ahia, To-
tal 1.

E. HUFFANDEAU,
Deputy City and County Clerk.
6213-Sept. 20, 21, 22.

RESOLUTION NO. 259.

Be it resolved by the Board of Supervisors of the City and County of Honolulu, Territory of Hawaii, that the sum of Six Thousand Two Hundred and Forty Dollars (\$6240.00) be and the same is hereby appropriated out of all moneys in the Permanent Improvement Fund of the Treasury of the City and County for the following purposes, to wit:

Wooden bridge, Kukui street,
over Nuuanu stream \$1700.00
Concrete slab bridge, River
street, over Pauoa stream 1440.00
Concrete bridge, School
street, over Pauoa stream 1500.00
Dry rubble retaining wall,
Poamoho stream, Waihana
District 1500.00
Presented by
ROBERT W. SHINGLE,
Supervisor.

Honolulu, Sept. 13, 1915.

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Larsen, Logan, Shingle, Total 6.
Noes: None.
Absent and not voting: Ahia, To-
tal 1.

E. HUFFANDEAU,
Deputy City and County Clerk.
6213-Sept. 21, 22.

N. C. E.

To whom it may concern:
You are hereby notified that at a meeting of the Board of Supervisors of the City and County of Honolulu, Territory of Hawaii, duly held on the 13th day of September, A. D. 1915, a resolution was adopted by said board to curb upon the established lines abutting on and adjoining property on the following streets: Kaimalu avenue, Auwalolimu street, San Antonio street, Lanakila street, Concordia street, Madeira street, Azores street, Perry street, Peary street between Captain Cook avenue and Magellan avenue; Bernice street, between Magellan and Iolani Aves., and Tele street between Iolani avenue and Prospect street, in the district of Honolulu, said City and County of Honolulu, in accordance with the provisions of statutes of the Territory of Hawaii, and the ordinances of the City and County of Honolulu.

You are further notified that if you fail to comply with such direction for sixty (60) days after this notice, the City and County of Honolulu will proceed to construct such curb at the expense of the abutting owner as provided by law.

BOARD OF SUPERVISORS OF
THE CITY AND COUNTY OF
HONOLULU, TERRITORY OF
HAWAII.

Dated this 20th day of September,
A. D. 1915.

6273-Sept. 20, 27, Oct. 4.

NOTICE.

To whom it may concern:
You are hereby notified that at a meeting of the Board of Supervisors of the City and County of Honolulu, Territory of Hawaii, duly held on the 13th day of September, A. D. 1915, a resolution was adopted by said board to curb, construct, maintain or repair, a sidewalk or both as the case may be, upon the established lines abutting on and adjoining property, on Punchbowl street between Lusitana and Beretia streets, in the District of Honolulu, said City and County of Honolulu, in accordance with the provisions of statutes of the Territory of Hawaii, and the ordinances of the City and County of Honolulu.

You are further notified that if you fail to comply with such direction for sixty (60) days after this notice, the City and County of Honolulu will proceed to construct and curb such sidewalk at the expense of the abutting property owner as provided by law.

BOARD OF SUPERVISORS OF
THE CITY AND COUNTY OF
HONOLULU, TERRITORY OF
HAWAII.

Dated: September 20, A. D. 1915.

6273-Sept. 20, 27, Oct. 4.

TRY MURINE EYE REMEDY
For Red, Weak, Watery Eyes and
GRANULATED EYELIDS
Murine Doesn't Smart—Soothes Eye Pains